Encouraging a Culture of INTEGRITY

OFFICE OF THE INTEGRITY COMMISSIONER OF ONTARIO

Annual Report

2016-2017

Legislative Assembly of Ontario

Assemblée législative de l'Ontario

Office of the Integrity Commissioner
The Honourable J. David Wake, Commissioner

Bureau du commissaire à l'intégrité
L'Honorable J. David Wake, Commissaire

June 2017

The Honourable Dave Levac
Speaker of the Legislative Assembly of Ontario

Dear Mr. Speaker,

It is an honour to present the Annual Report of the Office of the Integrity Commissioner for the period April 1, 2016, to March 31, 2017.

Sincerely,

The Honourable J. David Wake
Integrity Commissioner

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Commissioner's Message

The Honourable J. David Wake
Integrity Commissioner

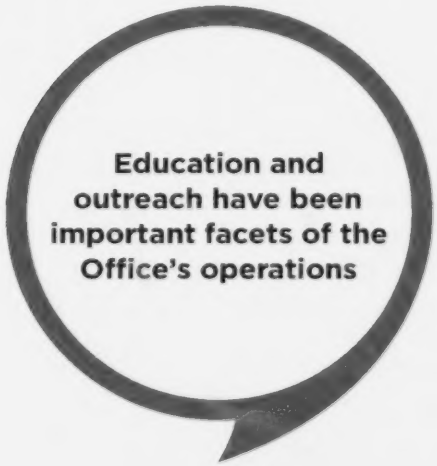
This is my second annual report, following my first full year as Integrity Commissioner. The past year has been very busy. The Office has experienced increased activity in all of its six mandates, and in most of those mandates the increase has been significant. The staff for the Office has increased in anticipation of the growth in the mandates, but that growth, as set out below, has exceeded expectations to the point where the Office will undoubtedly require additional resources soon so that it can continue to meet its responsibilities in a timely and effective manner.

In August I was invited to appear before the Legislative Assembly's Standing Committee on General Government as it considered Bill 201, *An Act to amend the Election Finances Act and the Taxation Act, 2007* (after the legislature was prorogued in September, the Bill was reintroduced as Bill 2, which was enacted in December). The bill, which dealt with political fundraising, seemed at first glance to have little to do with any of the Office's mandates. However, I was able to point to three of my mandates which could be affected by the changes being proposed. Those mandates are: Members' Integrity, Ministers' Staff, and Lobbyists Registration. Each of these deals with the concept of conflict of interest; although, as I explained to the committee, my jurisdiction to deal with alleged conflicts is different in each of the mandates' governing statutes. Nevertheless, I offered the opinion that there is a sliding scale between the amount of money that can be contributed to political fundraising and the degree of risk of there

being a conflict of interest — the more money provided, the greater the risk that decisions may be influenced by those contributions.

During the past year I have frequently received invitations to speak about the role of the Integrity Commissioner and ethics generally. I have spoken to such groups as university and college classes, lobbyist associations, the Institute of Public Administration of Canada, the Council of Deputy Ministers as well as foreign delegations. I am always pleased to accept these invitations because, as I said in my first annual report, education and outreach have been important facets of the Office's operations through the years and I am delighted to continue this work.

In October I was asked to stand in for fellow legislative officer Stephen LeClair, who was on medical leave from his position as Financial Accountability Officer. I served as Temporary Financial Accountability Officer until Mr. LeClair's return. I enjoyed working with the very qualified team assembled at the FAO. Together we managed to continue the important work of the FAO for the benefit of all members of the legislature during this difficult period while Mr. LeClair was absent. Although the added duties were time-consuming, I am pleased to have been of some service.



Mandates

Members' Integrity

Members' Integrity Act, 1994

The principal mandate for the Office of the Integrity Commissioner has always been Members' Integrity. During the past year my Office has received 370 requests from MPPs seeking advice on a wide variety of matters. I have provided confidential advice in writing in each case. Summaries of the types of inquiries we have received and the advice I have given are contained within this report. Some of these inquiries are time sensitive so every effort is made to deliver a response to the members in a timely manner.

The Act requires that each member meet with me every year to review their private disclosure statements concerning their finances to ensure that adequate disclosure has been made. At the same time, members obtain advice on their obligations under the Act. This past fall I met with all 107 members for the first time for these purposes. I found the meetings very valuable since they gave me an opportunity to get to know each member personally and to understand the nature of their work and the public demands on each of them by virtue of their positions. I found the members to be very candid and thoughtful during our discussions. This assisted me in providing some context for the advice I am required to provide them. Now that we have met on at least one occasion I trust that members will have an elevated confidence in being able to contact me and my Office for advice in the future. The increased number of requests for advice we received this year would seem to bear this out.

I have also had the pleasant task of meeting new members to the legislature following their electoral success in by-elections in order to

review their obligations under the Act and discuss the service my Office can provide to them. As well, I have been in touch with newly appointed cabinet ministers to review the restrictions placed on members of the Executive Council. Sometimes I am able to advise on the creation of ethical screens, where appropriate, in order to avoid the appearance of any conflict of interest. I have also provided advice to members who have left the legislature during the past year as to the restrictions on them, if applicable, after they ceased to hold office. Again, this advice and the Act are directed at ensuring that situations that might give rise to an apparent conflict of interest are avoided.

Under s.30 of the Act I can conduct inquiries when one MPP files a complaint about another MPP. Historically the number of complaints filed under s.30 has been low, about one or two a year. During my first eight months in office I received eight complaints against nine members. I joined some of these complaints on related matters and issued six reports, the details of which are referenced within the Members' Integrity section of this report.

Ministers' Staff

Public Service of Ontario Act, 2006

During the past year I have continued the initiative of my predecessor, Commissioner Lynn Morrison, in providing formal training on ethics for ministers' staff, as I am their Ethics Executive under the PSOA. All new ministers' staff hires attend mandatory training in our office. As well, arrangements were made at the invitation of the Premier's office for my staff and me to make a presentation to 400 ministers' staff in one session. The presentation was successful judging by the number of inquiries we received in the weeks that followed. We will continue to train new ministers' staff employees in small group sessions.

Overall the number of inquiries from ministers' staff was up sharply this year. I provided written advice with respect to the ethical obligations of staff members while they are engaged as ministers' staff. I also advised them of their obligations under the PSOA conflict of interest rules when they decide to leave public service. Examples of some of the inquiries received by this Office and the advice given are contained within the Ministers' Staff section of this report.

Lobbyists Registration

Lobbyists Registration Act, 1998

On July 1, 2016, amendments to the Act were proclaimed and have resulted in a higher volume of work for this mandate. As Lobbyists Registrar I now have investigative powers under the Act and the ability to impose administrative penalties when I find that there has been non-compliance with the Act. I can make information about the non-compliance public, including the person's name, and I can prohibit the person against whom the finding was made from lobbying for up to two years. Notwithstanding these powers, the Office's focus has been on education and taking steps to assist the lobbying community in becoming compliant with the Act. For example, I have revised all of the existing seven Interpretation Bulletins and withdrawn another as a result of the amendments. I have also provided a number of non-binding Advisory Opinions to individual lobbyists who have sought guidance from my Office. These requests are often complex, and it takes a good deal of time to craft an appropriate response, but the responses are helpful in providing clarification to individual lobbyists on the particular issue they have raised.

With the advent of the amendments there has been a surge of activity on the registry as many lobbyists seek to ensure that they are compliant. The number of active lobbyists has increased to more than 2,000 for the first time in the history of the registry. The new forms and added information required as a result of the amendments have increased the workload of my staff since approximately half of all registrations have been found to be incomplete. Staff must do preliminary assessments of each registration and follow up to ensure that the information published on the website is accurate, and this has become a time-consuming process.

We have concluded one investigation, but we are still at the early stages with respect to the investigatory power that has been conferred by the amendments. Meaningful statistics with respect to investigations will be available in next year's annual report.

Expenses Review

Public Sector Expenses Review Act, 2009

The Office reviews the travel, meal and hospitality expenses of certain public servants employed by provincial agencies, boards and commissions to ensure that they are in compliance with the PSERA. Currently the Office reviews the expenses of 18 entities, out of the approximately 180 that are subject to review. As an entity demonstrates regular compliance with the rules they can "graduate" and be replaced by another from the pool of 180 entities classified for that purpose. This year, three entities have graduated, subject to recall at any time, and two other entities have been added.

The *Travel, Meal and Hospitality Expenses Directive* was changed as of January 1, 2017, so that a maximum meal allowance can be claimed without receipts, and the meal allowance has been increased. The Office has recommended these changes for years and we were fully consulted before the changes were implemented. The changes should streamline the processing of these expenses.

Cabinet Ministers' and Opposition Leaders' Expenses Review and Accountability Act, 2002

The high degree of compliance for these expenses by cabinet ministers, opposition leaders, parliamentary assistants and their respective staff has continued this year. These expenses are governed by the Allowable Expense Rules, which were also revised as of January 1, 2017, to reflect the changes made to the meal allowance requirements in the Directive noted above.

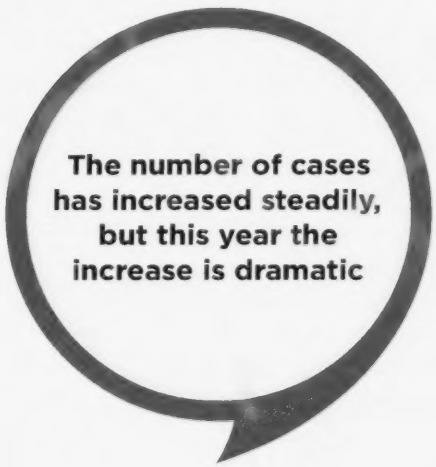
The expenses team is now at full complement and has made great progress at eliminating a backlog of files handled under both pieces of legislation, which had built up while the team was understrength. The team's work has

increased as a result of changes which now require the expenses of certain public servants under the PSERA above to be reviewed semi-annually instead of annually.

Disclosure of Wrongdoing

Public Service of Ontario Act, 2006

A disclosure of wrongdoing can be made by a public servant or former public servant regarding the work of an Ontario public servant, including a minister and parliamentary assistant. A whistle-blower can make a disclosure internally to his or her own Ethics Executive or to the Integrity Commissioner. It is our experience that an increasing number of whistle-blowers are opting to make their disclosure to the Office of the Integrity Commissioner. The number of cases has increased steadily, but this year the increase has been dramatic. The files are work-intensive and can consume all the time of the Office's investigator who also has responsibility for investigations in other mandates. I believe the resources dedicated to this mandate will need to be increased if a backlog is to be avoided.



Conclusion

This year I have enjoyed meeting fellow commissioners from other jurisdictions with whom I share one or more mandates. This includes annual meetings of the Canadian Conflict of Interest Network, the Public Interest Disclosure Conference, and the Lobbyist Registrars and Commissioners Network. My Office was host to the LRCN meeting this year in Toronto, where representatives of the federal and provincial governments shared best practices in all aspects of registry operations and compliance initiatives. In addition, I attended the 38th annual conference of the Council on Governmental Ethics Laws in New Orleans. COGEL is an international professional organization for government agencies, organizations and individuals with responsibilities or interests in governmental ethics, elections, campaign finance, lobbying laws and freedom of information. Toronto will be host to the COGEL conference in December 2017 and our Office expects to play a role in supporting the event.

I look forward to building on the relationships I have made in my first year with legislators, lobbyists and public servants. Fortunately I am assisted in fulfilling the mandates of the Office by a truly professional and dedicated staff to whom I am most grateful.

THE YEAR IN NUMBERS

3,808
expense claims reviewed for senior executives, appointees and the top five employee expense claimants at selected agencies, boards and commissions

370
inquiries from MPPs

EIGHT
inquiries received under s.30 of the *Members' Integrity Act*

107
meetings with MPPs to discuss financial disclosure statements

1,854
active lobbyist registrations

172
inquiries from ministers' staff

61
disclosure of wrongdoing inquiries received from public servants

1,582
expense claims reviewed for cabinet ministers, parliamentary assistants, leaders of the Opposition and their staff

ONE
investigation concluded under the *Lobbyists Registration Act*

22
video tutorials produced on the lobbyist registration process

33
outreach, training and speaking engagements

SIX mandates | **FIVE** pieces of legislation

33%
increase in the number of active lobbyists registered since proclamation of changes to the *Lobbyists Registration Act*

Advising MPPs on Conflict of Interest
and Ethical Behaviour

Members' Integrity

Mandate

Under the *Members' Integrity Act, 1994*, the Integrity Commissioner is responsible for:

- receiving inquiries and offering advice on ethical issues raised by MPPs;
- overseeing each MPP's annual private and public disclosure statements; and
- conducting inquiries under s.30 into alleged violations of the Act when raised by one MPP about another.

Overview

The Office is a key resource for MPPs and their staff, providing confidential advice regarding ethical issues that arise in the performance of an MPP's duties of office. This year, the Office received 370 inquiries from members and their staff regarding the obligations of MPPs under the Act.

MPPs seek the Commissioner's advice on a variety of matters, including letters of support, meeting with constituents and general advocacy on behalf of constituents. This year saw an increase in the number of inquiries about the proper use of government resources, including the use of constituency offices and social media. The Commissioner reminds all MPPs that there is a prohibition on using government resources, including office premises, telephones, email accounts, computers and salaried staff time in relation to outside activities, and in particular, partisan activities.

After MPPs filed their private financial disclosure statements in the fall, they met with the Commissioner to discuss their

responsibilities and obligations under the Act. The Commissioner welcomed three new MPPs and had the opportunity to introduce them to the work of the Office. The Commissioner also had discussions with MPPs to survey their understanding of the gift rule and their thoughts about accepting gifts generally.

Throughout the year the Commissioner conducted training sessions for constituency office staff to guide them on the ethical framework as it relates to the work they do on behalf of their MPPs. Training remains important as it helps MPPs and their staff recognize ethical issues as they appear in their daily interactions with constituents.

Commissioner's Reports Under s.30

Use of Government Resources for Partisan Purposes

Re: Marie-France Lalonde

The Commissioner received a complaint from MPP Jagmeet Singh (Bramalea–Gore–Malton) about MPP Marie-France Lalonde (Ottawa–

Orléans). The Commissioner was asked to investigate whether Ms. Lalonde contravened Ontario parliamentary convention against using government resources for partisan purposes when the Liberal Caucus Service Bureau issued a news release containing partisan messaging about an upcoming provincial by-election.

In July 2016, the Office released a report in which the Commissioner found that there was insufficient connection between Ms. Lalonde or any other member and the conduct being complained about for him to conduct an inquiry into whether there had been a breach of the Act or parliamentary convention.

All members were advised to be mindful of the effects of fundraising activities on the reputation of the Assembly

Re: Patrick Brown

The Commissioner received a complaint from MPP Marie-France Lalonde (Ottawa–Orléans) about MPP Patrick Brown (Simcoe North). The Commissioner was asked to investigate whether Mr. Brown contravened Ontario parliamentary convention against the use of government resources for partisan purposes because he is the leader of a political party that offered donors access to Queen's Park.

In July 2016, the Office released a report in which the Commissioner found that there was insufficient connection between Mr. Brown and the Ontario PC Fund, which proposed using Queen's Park to raise funds for the party, to find that there was a breach of parliamentary convention. The basis for his opinion is that the proposed use of Queen's Park was the result of a mistake made by the fund. Mr. Brown was not aware of the offer and he had no oversight authority over the staff who made the offer. Although there was no breach, the Commissioner wished to make it clear that the use of Queen's Park for fundraising purposes diminishes the dignity of the Legislative Assembly of Ontario and reminded all members to be mindful of the effects of any proposed fundraising activities, regardless of where they occur, on the reputation of the Assembly.

Public Appointment

Re: The Honourable David Orazietti

The Commissioner received a complaint from MPP Jim McDonell (Stormont–Dundas–South Glengarry) about David Orazietti, MPP for Sault Ste. Marie and then Minister of Government and Consumer Services. The Commissioner was asked to investigate whether Mr. Orazietti contravened the conflict of interest provisions set out in section 2 of the Act as it was alleged he sought to appoint five individuals, who were either his constituents or affiliated with the Liberal Party of Ontario, to various organizations affiliated with the Ministry of Government and Consumer Services.

In October 2016, the Office released a report that found that Mr. Orazietti did not breach the Act. The Commissioner found that the basis for Mr. McDonell's request was a ministry briefing note that was inadvertently released to his office. The briefing note identified five candidates who were purportedly appointed by Mr. Orazietti. In fact, only three of these individuals were actually appointed by Mr. Orazietti. The Commissioner found no evidence that Mr. Orazietti advanced

his private interest or improperly furthered the interest of any other person while making these three appointments. With respect to the remaining two individuals, one of them was not appointed because they chose to withdraw. The other individual was not selected by Mr. Orazietti, but it appears that there was a misunderstanding within the ministry as to Mr. Orazietti's intention about this application.

Political Party Fundraising

Re: The Honourable Bob Chiarelli and The Honourable Charles Sousa

The Commissioner received a complaint from MPP Jagmeet Singh (Bramalea–Gore–Malton) about MPP Bob Chiarelli (Ottawa West–Nepean), then Minister of Energy and currently Minister of Infrastructure, and MPP Charles Sousa (Mississauga South), Minister of Finance. The Commissioner was asked to investigate whether the ministers contravened section 6 of the Act by receiving a fee, gift or personal benefit connected with their attendance at a fundraising event and their involvement in the decision-making process related to the privatization of Hydro One.

In August 2016, the Office released a report in which the Commissioner found that while the two ministers may have received political benefits from their attendance at the event, they did not receive any personal benefits and accordingly did not contravene section 6 of the Act.

The Commissioner also considered the issue of whether the ministers breached the conflict of interest provisions set out in section 2 of the Act. The Commissioner found that while the Act applies to actual conflicts of interest, it does not seem to apply to apparent conflicts of interest, which exist when there is a reasonable apprehension, which reasonably well-informed persons could properly have, that a conflict of interest exists. As the ministers did not receive any personal benefits from their attendance at the event, the Commissioner was not able to conclude that the ministers were in an actual conflict of interest. Given the language in the Act, the Commissioner found that he did not have the authority to conclude that an apparent conflict of interest is prohibited under the Act.

The Commissioner encouraged the Legislative Assembly to review the Act with a view to clarifying whether it should apply to the appearance of conflicts of interest.

Re: The Honourable Bob Chiarelli, The Honourable Michael Coteau and The Honourable Yasir Naqvi

The Commissioner received a complaint from MPP Catherine Fife (Kitchener–Waterloo) about (1) The Honourable Bob Chiarelli (Ottawa West–Nepean), Minister of Infrastructure, (2) The Honourable Michael Coteau (Don Valley East), Minister of Child and Youth Services and Minister Responsible for Anti-Racism (3) and The Honourable Yasir Naqvi (Ottawa Centre), Government House Leader and Attorney General. The Commissioner was asked to investigate whether the three ministers contravened section 2 of the Act by instructing staff in their respective ministerial offices to participate in partisan fundraising activities such that the ministers furthered their own private interests by: (1) helping them to achieve the fundraising quotas assigned to them by the Ontario Liberal Party with the consent of the Premier, and (2) benefiting as future candidates from contributions to the party. Ms. Fife also alleged that by instructing their staff to engage in these activities, the ministers blurred the lines between partisan fundraising and government business.

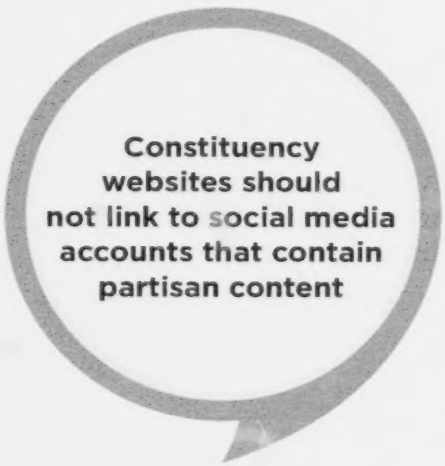
In December 2016, the Office released a report in which the Commissioner found that

the ministers did not contravene section 2 of the Act because their private interests were not engaged. The Commissioner found no proof that fundraising quotas were assigned to the ministers and that any benefit to them as future candidates would be too remote to be considered a private interest. He also found that the ministers did not instruct their staff to participate in the partisan fundraising activities and that, accordingly, there was no deliberate attempt by the ministers to use their offices in such a way that the lines between partisan fundraising and government business were blurred.

Re: The Honourable Madeleine Meilleur

At the same time as the above matter, the Commissioner received a complaint from MPP Catherine Fife (Kitchener–Waterloo) about Madeleine Meilleur, the former MPP for Ottawa–Vanier.

In December 2016, the Office released a report in which the Commissioner found that because Ms. Meilleur resigned as an MPP before the request was made, there were insufficient grounds for him to conduct an inquiry into whether there had been a breach of the Act or parliamentary convention.



Inquiries

The following are samples of the inquiries received by the Commissioner this year. These summaries are published to help MPPs and their staff identify circumstances that could give rise to issues under the Act. The inquiries and the opinions are abbreviated, and the identities of those involved are anonymized and alternate in gender. The cases are provided in order to raise awareness. It is important to remember that each opinion is based on its own set of disclosed facts and should not be considered a substitute for calling or writing the Office.

Acquiring Property

Inquiry

An MPP bought a new house. What steps need to be taken?

Opinion

Under the Act, an MPP has 30 days to report details about the new property to the Commissioner, including the purchase price and mortgage information.

Inquiry

A cabinet minister inquired whether a relative might assist in purchasing a rental property for the minister's adult child. The minister would not have an interest in the property.

Opinion

Under section 15 of the Act, cabinet members are not permitted to acquire an interest in real property, except for residential or recreational purposes. The Commissioner advised that the Act does not restrict the activities of the relative, provided that the minister does not have an interest in the property. However, the Commissioner cautioned that the minister be mindful about limiting involvement with the management of any property purchased by or for the child.

Social Media

Inquiry

An MPP inquired whether it was a requirement to have one Twitter account that is linked only to the constituency office website, in addition to another account that may be used to post partisan material.

Opinion

The Commissioner advised that while there is no requirement for MPPs to have two Twitter accounts, it is a good practice to have a separate account for constituency-related postings as MPPs need to ensure that there is no partisan material on the constituency office website or social media that is linked to the site.

Inquiry

An MPP has a Facebook page with a title that includes the member's name followed by "MPP." The page features partisan content and is linked to the constituency website. Is this appropriate?

Opinion

The Commissioner advised that constituency websites should not have links to social media accounts that contain partisan content. Additionally, social media accounts that include partisan content should not have "MPP" in the title, even independent of the official constituency website, as there is a risk that they may be mistaken for official constituency office social media accounts. As a result, the Commissioner recommended that the member remove the link that directs users on the constituency site to the Facebook page and remove "MPP" from the title on the Facebook account.

Inquiry

A minister was asked to use Twitter to promote a charitable organization's event that was taking place in the riding. The Twitter account is linked to the constituency website. Is this permissible?

Opinion

The Act does not specifically address the use of social media by members; however, as per section 4, MPPs cannot use their office to influence a decision that would improperly further another person's private interest. The Commissioner also cautioned that the minister could be perceived to

be showing favouritism towards one particular charitable organization over others. If the minister, after considering these factors, was still comfortable using Twitter to promote the organization's event, the Commissioner advised that he do so in his capacity as MPP, not minister.

Inquiry

An MPP inquired whether it was permissible to include her contact information and links to her social media accounts in constituency mailings. The Commissioner noted that these accounts contained partisan material.

Opinion

It is parliamentary convention that government resources, including constituency mailings, should be used to assist constituents and not for partisan purposes. Therefore, the Commissioner advised that links to social media accounts that contain partisan information should not be included in the constituency mailings.

Constituency Office Use

Inquiry

An MPP was asked whether the constituency office could be used outside of office hours as a setting to film scenes for a television show. Is this appropriate?

Opinion

A constituency office can be used to provide services for constituents, such as meeting with them to provide information on navigating provincial government programs. It was the Commissioner's opinion that allowing a production company to film at the office would be an inappropriate use of a constituency office since the office is supported by taxpayers' dollars and not intended to be used to support a private enterprise.

Inquiry

An MPP was asked by a residential development project to display brochures in the constituency office. Is this appropriate?

Opinion

It was the Commissioner's opinion that the MPP should not allow the brochures to be placed in the constituency office. The office serves all constituents using legislative resources and therefore it would be inappropriate to allow a private enterprise to promote its business.

Auctioning Lunch at Queen's Park

Inquiry

An MPP was asked to provide lunch and a tour of Queen's Park as a silent auction item at a charitable organization's fundraiser in the riding. Is this appropriate?

Opinion

It was the Commissioner's opinion that it was not a conflict of interest for the MPP to provide lunch and a tour for the fundraiser. However, the Commissioner recommended that the MPP consider reserving the right to deny the successful bidder if the MPP determined that having lunch with the individual would be inappropriate given his MPP and critic roles.

Inquiry

An MPP was asked to donate a lunch at Queen's Park for a fundraiser for an organization that is a registered lobbyist and a stakeholder of the MPP's critic portfolio. Is this appropriate?

Opinion

The Commissioner had concerns that the MPP's critic role and the organization's mandate might give rise to an appearance of a conflict of interest if the MPP were to donate a lunch. It would also be inappropriate to assist a stakeholder in furthering its financial interest. As a result, the Commissioner advised that the MPP not donate the lunch.

Letters of Support

Inquiry

An MPP was asked by a group of constituents to write a letter to the Ontario Municipal Board supporting the constituents' opposition to a proposed development in the riding. Could the MPP provide the letter?

Opinion

It was the Commissioner's opinion that the MPP could write the letter provided that it was written in such a way that it could not be construed that the member was seeking preferential treatment from OMB decision makers as a result of the member's MPP status.

Inquiry

A minister was asked to provide a letter supporting an organization's application that was before a provincial government agency. Could the minister write the letter?

Opinion

It was the Commissioner's advice that the minister not write the requested letter. Parliamentary convention prohibits cabinet ministers from appearing as advocates or supporters about a decision to be made by a provincial agency, board or commission about a matter affecting an individual or organization. The convention has evolved to ensure that members of agencies, boards or commissions are able to carry out their duties free of influence and the appearance of influence by cabinet ministers.

Inquiry

A minister was asked by a government relations firm to provide a letter to support a client's application before the Canadian Radio-television and Telecommunications Commission. Could the minister provide the letter?

Opinion

The Commissioner advised that it would be appropriate for the minister in her capacity as MPP to write to the CRTC as the agency falls under the jurisdiction of the federal government.

Inquiry

A volunteer in a constituency office asked an MPP to write a generic reference letter to be used for post-secondary education applications and job search purposes. Could the MPP provide the letter?

Opinion

The Commissioner advised that the MPP should not write a generic reference letter for the volunteer because the MPP would not be able to control the use of the letter. If the MPP wished to write a reference letter for the volunteer for a specific purpose, it was the Commissioner's advice that he may do so, provided the letter was addressed to the intended recipient and written on MPP letterhead.

Advocacy

Inquiry

A constituent asked an MPP to intervene with respect to a decision made by a ministry. Is this appropriate?

Opinion

The Commissioner advised that MPPs can assist constituents by obtaining information about any relevant policies or procedures in place, such as looking into any available appeal mechanisms at the ministry; however, an MPP must not use their position as MPP to circumvent or appear to circumvent these established policies or procedures. An attempt to "wave the magic wand" to achieve a particular outcome would be inappropriate under the Act.

Inquiry

A constituent asked for an MPP's assistance regarding a dispute with a landlord. The constituent had legal representation. Could the MPP be involved?

Opinion

The Commissioner advised that it is inappropriate to intervene in a matter when a constituent already has representation on an issue. Further intervention would be akin to asking the MPP to "wave a magic wand" and to use their influence in a manner that would be inappropriate under the Act.

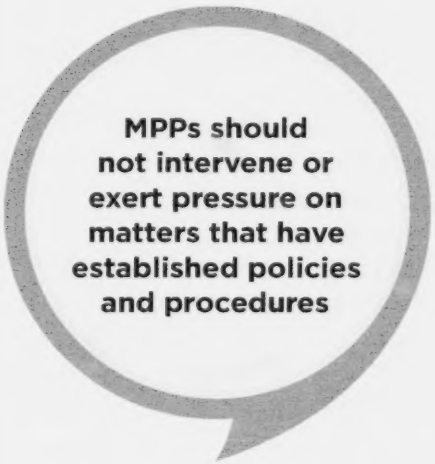
Meeting with Constituents

Inquiry

An MPP was asked by a constituent group to meet regarding a matter that was under the jurisdiction of a provincial government agency. Could the MPP meet with the group?

Opinion

The Commissioner advised that while it is not a violation of the Act for an MPP to meet with constituents in these circumstances, care should be taken to minimize the risk that constituents form the impression that the MPP will take steps to further the constituents' cause inappropriately. MPPs should not intervene or exert pressure on matters that have established policies and procedures. The Commissioner further advised that if sufficient precautions cannot be taken to minimize these risks, the MPP may reasonably decide not to meet with the constituents.



Honorary Positions

Inquiry

A minister was asked to serve as the honorary chair for a committee hosting an event to raise funds for a hospital in the riding. Could the minister accept the position and attend the event?

Opinion

It was the Commissioner's opinion that the minister could act as the honorary chair of the committee and attend the event. However, the Commissioner reminded the minister that she should not have any operational responsibility in the event organization or management and that she should also refrain from participating in any direct fundraising activities.

Gifts and Benefits

The *Members' Integrity Act, 1994* permits MPPs to accept gifts and benefits under limited circumstances. Gifts and benefits are permitted if they are given as part of the protocol, customs or social obligations that normally accompany the responsibilities of office. As well, MPPs may accept a gift or benefit if the circumstances are disclosed to the Commissioner and the Commissioner is of the opinion that it was not likely that the gift or benefit was given in an attempt to influence the MPP.

After the Commissioner determines that a gift is appropriate, the Act requires that MPPs disclose gifts they have received with a value in excess of $200, which can be done by completing a form with the

Office. The Commissioner encourages all MPPs to seek guidance each time they are offered a gift or benefit as circumstances vary based on the organization that is providing the gift or benefit and the MPP's responsibilities.

Inquiry

An MPP was invited by an organization that was not a registered lobbyist to join a fact-finding, educational trip. The invitation was extended to several MPPs across all parties. The purpose of the trip was to get better acquainted with the country and its people. The organization offered to cover all costs of the trip. Could the MPP accept the invitation?

Opinion

It was the Commissioner's opinion that attending the trip would not constitute an incident of the customs, protocol or social obligations that normally accompany an MPP's responsibilities of office in accordance with the gift rule.

The Commissioner then considered whether accepting the trip gave rise to a reasonable presumption that the invitation was extended to influence the MPP in the performance of his duties, which is the only other possible exemption to the general prohibition against a member accepting the trip. Given the MPP's duties as member and opposition critic, the fact that the organization was not a registered lobbyist and that the invitation was extended to several MPPs, it was the Commissioner's opinion that the gift was not likely to give rise to a reasonable presumption that it was being given to influence the MPP in the execution of his duties.

However, the Commissioner cautioned that accepting the invitation could expose the MPP to a future conflict of interest if the MPP were to have dealings with the organization going forward.

The MPP was reminded that the gift and its value must be disclosed to the Commissioner for public disclosure reporting purposes.

Inquiry

An MPP was invited by an organization in the constituency to attend a trade show in the United States. The organization offered to cover the MPP's flight and accommodation. Could the MPP accept the invitation?

Opinion

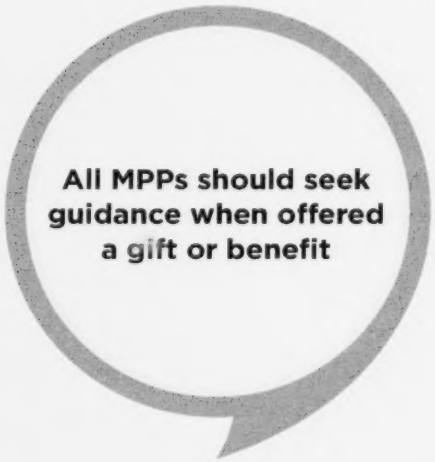
Given the nature of the trip and the fact that the organization was a stakeholder in the riding in which the MPP was likely to have future dealings, it was the Commissioner's opinion that accepting the invitation could give rise to a reasonable presumption that it was extended to influence the MPP in the execution of her duties of office and thus lead to a contravention of section 6 of the Act. As a result, the Commissioner advised that the MPP decline the invitation.

Inquiry

A minister was invited to a local hospital fundraiser as a guest of the hospital. Was it appropriate for the minister to accept the invitation?

Opinion

Given the nature of the event, the fact that the hospital was located in the minister's riding and is not a stakeholder of his ministry, it was the Commissioner's opinion that the gift was not likely to give rise to a reasonable presumption that it was being given to influence the minister in the performance of his duties. The Commissioner reminded the minister that all gifts or benefits received by members must be disclosed to the Office within 30 days if the value exceeds $200.



Ministers' Staff

Providing Advice on Conflicts of Interest, Political Activity and Post-Service Employment

Ministers' Staff

Mandate

As Ethics Executive for ministers' staff, the Integrity Commissioner makes determinations about conflict of interest, political activity and post-service employment matters.

The standards applicable to ministers' staff are found in the *Public Service of Ontario Act, 2006*, sections 66–69 and 94–98, and in the *Conflict of Interest Rules for Public Servants (Ministers' Offices) and Former Public Servants (Ministers' Offices)*.

Overview

The Office received 172 inquiries from ministers' staff this year, of which 105 were about conflict of interest issues during employment and 67 were about post-employment as individuals left their positions in ministers' offices and accepted new employment. Many of the conflict of interest inquiries related to outside activities, pre-employment advice, employment of family members, financial holdings and post-employment obligations and restrictions.

This year the Office conducted two training sessions for newly hired ministers' staff to provide them with a thorough understanding of their ethical obligations under the *Public Service of Ontario Act, 2006*, and the ethical obligations of their ministers under the *Members' Integrity Act, 1994*. In October the Commissioner conducted a training session with all ministers' staff to introduce himself as their Ethics Executive and review their obligations under the conflict of interest rules. Ongoing training continues to be a priority under the ministers' staff mandate.

Inquiries

The following are samples of the inquiries received by the Commissioner and are intended to help ministers' staff identify conflict of interest issues. The inquiries are abbreviated, and the identities of those involved are anonymized and alternate in gender. The cases are provided in order to raise awareness and should not be considered a substitute for calling or writing the Office.

Gifts and Benefits

Ministers' staff are not permitted to accept a gift or benefit from anyone who has dealings or prospective dealings with the government, if a reasonable person could conclude that the gift or benefit could influence staff when performing their duties. However, this rule does not preclude ministers' staff from accepting a gift or benefit of nominal value that is given as an expression of courtesy or hospitality. The determination is made by the Commissioner.

Accepting an Invitation to an Event

A minister's staff employee was offered a ticket to a conference dinner and after-party by a government stakeholder. Could the employee accept the ticket?

Determination

The Commissioner determined that a reasonable person might conclude that accepting the ticket could influence the public servant in her duties to the Crown due to the following reasons:

- the ticket was not of nominal value or given as an expression of courtesy or hospitality;
- the ticket was offered by a government stakeholder; and
- attending the after-party did not fall within the public servant's duties and responsibilities.

As such, the Commissioner directed the employee to decline the ticket.

Outside Activities

Volunteering as a Board Member

A minister's staff employee wished to sit on multiple boards for not-for-profit organizations that are not stakeholders of the employee's ministry. Could he accept these board positions?

Determination

The Commissioner determined that the employee could accept the board positions under the following conditions:

- the minister approved of the board positions;
- the employee recused himself from any activity that could potentially conflict with his work with the Crown including board discussions regarding government funding; and
- no government resources, including time, were used for board activities.

Post-Employment

Attending a Speech by a Former Minister

A former employee in a minister's office asked whether she could attend a speech given by her former minister. The event took place during her cooling off period, within 12 months from when she left her job in the minister's office. The individual had taken a job with a government relations firm. Would there be any issue with her attending the speech?

Determination

Given that the speaking engagement is not a forum to directly interact with the minister, the Commissioner determined that there was no issue with the former employee attending the speech.

Lobbying Restriction

An employee of a minister's office asked whether the post-service lobbying restriction for minister's office staff applied only to his minister's office or to his entire former ministry.

Determination

The 12-month lobbying restriction applies to his entire former ministry (the minister, the minister's staff and any public servants in the ministry).

Reference Letters

Reference Letter for an Intern

Could a chief of staff write a reference letter for an intern who worked in the minister's office?

Determination

Since the chief of staff supervised the intern and could directly speak to the intern's competencies, the Commissioner directed that there was no issue with her providing the letter in her capacity as chief of staff on ministry letterhead.

Reference Letter to Support a Public Appointment

Could a senior employee in a minister's office provide a reference in support of a friend's application to a position that is appointed by order-in-council?

Determination

Given that the employee knew the friend outside of his government employment, the Commissioner determined that he could provide a reference in his personal capacity. However, he directed that the reference speak solely to the friend's attributes and not to mention the fact that the employee worked in a minister's office.

Miscellaneous

Partner Employed by a Government Stakeholder

A senior employee in a minister's office asked for direction given that her partner worked for a government stakeholder that lobbied her ministry. Her partner does not work in a government relations capacity.

Determination

The Commissioner directed the employee to recuse herself from any ministry meetings involving her partner's employer. In addition, she was directed not to discuss her ministry work with her partner. The employee has the obligation not to give or appear to give preferential treatment to any person or entity and not to disclose any confidential information obtained in the minister's office.

Partner Employed by a Government Stakeholder in Government Relations

An employee in a minister's office asked for direction given that his partner worked in a government relations capacity for a government stakeholder. The partner's employer did not lobby his ministry.

Determination

Out of an abundance of caution, the Commissioner directed that an ethical screen be imposed to separate the employee from any files, discussions or decisions relating to his partner's employer. In addition, he was directed not to discuss any ministry work with his partner, given his confidentiality obligation.

Family Member's Request for Meeting with the Ministry

A junior employee in a minister's office advised that the office received a meeting request from a family member on behalf of his employer. The ministers' staff employee recused herself from any dealings regarding the meeting request and asked for direction given that the organization may have future communications with the minister's office.

Determination

The Commissioner directed the employee not to participate in any ministry meetings or have any communications with any of the organization representatives. In addition, the Commissioner directed that the employee recuse herself from any internal discussions relating to issues specific to the organization. She was also advised to avoid discussions about her ministry work with the family member, given her obligation not to disclose confidential information.

Investment Restrictions

An employee in a minister's office inquired whether he was subject to any restrictions with respect to purchasing securities.

Determination

There is no prohibition against ministers' staff holding securities unless the investments could potentially conflict with their ministry work. If such a conflict occurs, the employee was advised that he is required to notify the Commissioner to obtain advice and direction. The Commissioner recommended that care be taken to avoid any future investment purchases or trades that may potentially conflict with the employee's government work.

If a conflict occurs relating to an investment, the Commissioner must be contacted to obtain advice and direction

Expenses Review

Encouraging Prudence and Accountability

Expenses Review

Mandate

The Office of the Integrity Commissioner reviews travel, meal and hospitality expenses for two groups of public servants:

- cabinet ministers, parliamentary assistants, leaders of the Opposition and their staff; and
- senior executives, appointees and the top five employee expense claimants at agencies, boards and commissions.

The responsibilities can be found in two pieces of legislation:

- *Cabinet Ministers' and Opposition Leaders' Expenses Review and Accountability Act, 2002*; and
- *Public Sector Expenses Review Act, 2009*.

The reviews are conducted using the Allowable Expense Rules, the Ontario Travel, Meal and Hospitality Expenses Directive, and guidelines issued by the Integrity Commissioner.

The amendments to PSERA were fully implemented this year

Overview

This has been a year of significant change and growth as a result of amendments to the *Public Sector Expenses Review Act, 2009*, the *Cabinet Ministers' and Opposition Leaders' Expenses Review and Accountability Act, 2002*, and revisions to the Allowable Expense Rules and the Travel, Meal and Hospitality Expenses Directive.

The amendments to the PSERA took effect in November 2015 and were fully implemented this year. As a result of the changes:

- the pool of public entities eligible for review increased to approximately 180 from 19;
- the ability to review entities on a rotational basis resulted in the graduation of three entities (subject to recall), and the inclusion of two new entities to be reviewed in the next fiscal year; and
- the top five employee expense claimant submissions are now required twice — instead of only once — a year. This change captured more employees in the review process, providing a larger snapshot of corporate culture within the organizations.

Revisions to the Directive and the Allowable Expense Rules were introduced in January 2017. The key changes are:

- Claimants are permitted to claim a maximum meal allowance without being required to submit receipts. In addition, each of the individual meal rates has increased by 12.5 per cent.
- The new rates are: breakfast $10.00, lunch $12.50, and dinner $22.50.

The revised expense claim treatment is considered to be fairer to claimants, and it streamlines the administrative and review process. The new rules incorporate recommendations made by the Office and bring the treatment of meal expenses in line with other provincial and federal jurisdictions.

Additionally, the expense review staff of five were engaged in:

- incorporating new processes and procedures as a result of the amendments and changes to the Rules and Directive;
- streamlining the overall review process to improve efficiency and timeliness of issuing claim review results; and
- training and outreach to stakeholders.

An emphasis on outreach and on a collaborative relationship with stakeholders continues to produce positive results as entities seek guidance and advice on the Allowable Expense Rules and the rules and principles of the Directive.

The Office is grateful for the cooperation of all stakeholders in the expense review process.

Cabinet Ministers' and Opposition Leaders' Expenses Review

The Office reviewed a record 1,582 claims for ministers, parliamentary assistants, opposition leaders and their respective staff.

The Commissioner is required to provide the Speaker of the Legislative Assembly with a written annual report on the review conducted under the Act. The Commissioner can name in the report any person who does not comply with an order to repay or a recommendation for other remedial action; however, the Commissioner cannot name a third party and cannot fault anyone for relying on his advice.

All expense claims examined were deemed to be in compliance with the rules and passed review. As required by the amendment to the Act the government and Speaker of the Legislative Assembly have been notified of completed reviews and have 90 days from that date to post those expenses publicly.

The Office has worked closely with stakeholders at the Treasury Board Secretariat and Ontario Shared Services as part of an ongoing commitment to improving the efficiency of the review process. Proactive outreach and guidance continue to result in a high level of compliance.

Public Sector Expenses Review

The Office reviewed 3,808 expense claims submitted for designated senior management employees, appointees and the top five employee expense claimants of the 20 agencies, boards and commissions selected for review by the Commissioner.

The Commissioner deemed that three agencies — the Ontario Human Rights Commission, the Ontario Financing Authority and the Ontario Public Service Pension Board — had demonstrated full compliance with the Directive and as a result graduated from the review process. The graduation of these entities has reinforced the value of the Office's expense review process, outreach efforts and strong stakeholder relationships, together with the efforts of the organization in changing their corporate cultures to attain full compliance with the rules. This is an indication that full compliance is an attainable

goal, and a positive step to promote compliance with the expense rules for all Ontario public bodies.

The Ontario Racing Commission was also removed from the list of entities under review this year as the organization was amalgamated with the Alcohol and Gaming Commission of Ontario and the Ontario Lottery and Gaming Corporation.

The Ottawa Convention Centre Corporation (Shaw Centre) and the Niagara Parks Commission have been added to the list of agencies under review and will be required to submit their first batches of expenses in the next year. As entities are found to be fully compliant and graduate in the coming year, more entities will be added for review from the pool of approximately 180 public entities that are subject to the Act.

The changes to the top five employees submission requirement have resulted in more employees and a greater cross-section of the organizations being included in the review process. This change has captured and highlighted areas of non-compliance within certain agencies, allowing the Office to provide feedback to the agency in order for corrective measures to be taken.

The Office fosters a collaborative environment and is proactive with guidance and education. Overall compliance has improved; however, the Commissioner stresses that maintaining compliance is an ongoing process and that the Office will continue to work with entities to help them understand and follow the rules.

The Office fosters a collaborative environment and is proactive with guidance and education

Disclosure of Wrongdoing

Ensuring a Meaningful Response When Public Servants Make Allegations of Wrongdoing

Disclosure of Wrongdoing

Mandate

Ontario public servants who witness serious misconduct at work can take action by making a disclosure of wrongdoing. A public servant has a choice: disclose the information internally to their Ethics Executive or to the Integrity Commissioner, an independent third party. The Commissioner's authority to receive and deal with allegations of wrongdoing is set out in the *Public Service of Ontario Act, 2006*.

Overview

It has been a significant year for this mandate. There has been a marked increase in the number of times the Office was contacted for information about the disclosure of wrongdoing framework. Of significance, the majority of these inquiries were made by public servants to whom the PSOA applies, rather than by members of the public or others from whom the Commissioner cannot receive disclosures. This is a key change from previous years.

One possible cause of this increase is the Commissioner's ongoing dialogue with Ethics Executives in ministries and public bodies to raise awareness about the disclosure of wrongdoing framework within the Ontario Public Service. However, the nature of some of the inquiries suggests that more could be done to ensure that public servants are aware of their options when they have a wrongdoing to report.

Areas of improvement were often identified and addressed as a result of investigations

Also significant is an increase in the number of matters that public servants submit to the Office to report what they believe to be wrongdoing. This number has continued to increase gradually over the last five years. The nature of the allegations also appears to be changing as there have been fewer reports about employment disputes that the Commissioner does not have the jurisdiction to resolve.

Five matters were concluded this year following an investigation. "Wrongdoing", as that term is defined in the PSOA, was found in one. Areas of improvement were often identified and addressed as a result of these investigations, even in cases in which no wrongdoing was found against a specific public servant.

Finally, the Office made changes to the Disclosure of Wrongdoing section of its website, including changes to the form available for public servants to make disclosures, which was updated and converted to a more user-friendly format.

Activity

	2014–15	2015–16	2016–17
Total contacts from public servants	**29**	**31**	**61**
Request for information	18	11	31
Intention to file a disclosure of wrongdoing	11	20	30

	2014–15	2015–16	2016–17
Disposition of matters where a public servant sought to make a disclosure of wrongdoing (including matters carried over from the prior fiscal year)	11	25[1]	29
Referred to appropriate senior official for investigation or under investigation by the Commissioner	3	8	9
Not received as a disclosure of potential wrongdoing because the allegations could not possibly reveal a "wrongdoing" as that term is defined in the Act	2	10	2
Received as a disclosure of potential wrongdoing, but the circumstances were outside the Office's jurisdiction	1	2	2
File closed for miscellaneous reasons (e.g., it proceeded as an internal disclosure or there was insufficient information for the Office to pursue the matter)	0	5[2]	8
Remaining under review at fiscal year-end	5	0	8

1 Includes 20 matters received in 2015–2016, plus five matters remaining under review at year-end 2015.

2 In all of these matters, the disclosure proceeded as an internal disclosure to the Ontario Public Service.

Case Summaries

Allegation of contravention of the conflict of interest rules (Referral)

It was alleged that public servants contravened the conflict of interest rules set out in O. Reg. 381/07 under the PSOA by taking ministry property for their own use. It was also alleged that the public servants' manager engaged in gross mismanagement by not adequately addressing the concerns when first raised. The Commissioner referred the matter for investigation to the appropriate Ethics Executive. The investigation found that the public servants did not take ministry property and that the manager's actions, while concerning, did not rise to wrongdoing as defined by the PSOA. The Commissioner was satisfied with the investigation report prepared by the ministry and made a number of recommendations, all of which were accepted by the ministry. This disclosure highlighted the need for managers to be able to identify and respond appropriately to concerns about potential wrongdoings.

Managers need to identify and respond appropriately to concerns about potential wrongdoings

Allegation of contravention of the conflict of interest rules (Referral)

It was alleged that a public servant contravened the conflict of interest rules set out in O. Reg. 381/07 under the PSOA by giving preferential treatment in the course of a hiring process. It was also alleged that two public servants engaged in gross mismanagement by concurrently serving multiple roles. The Commissioner referred the matter for investigation to the appropriate Ethics Executive at the public body. The investigation found that there was no wrongdoing. The Commissioner was satisfied with the investigation report prepared by the public body. Prior to the allegation being made to the Commissioner, the public body had determined that it would have an independent, external firm review the decision to combine certain public servant roles. The Commissioner requested and received the results of the external review. This disclosure highlighted concerns that may be created within an organization when public servants hold multiple roles within an organization.

Concerns may be created within an organization when public servants hold multiple roles within an organization

Allegation of contravention of the conflict of interest rules (Referral)

It was alleged that public servants contravened the conflict of interest rules set out in O. Reg. 381/07 under the PSOA by using personal property to store government assets and conduct training activities. The Commissioner referred the matter for investigation to the appropriate Ethics Executive, who concluded that there was no wrongdoing because the public servants did not benefit from the activities, but did note that there was a perception of a conflict of interest. Although the Commissioner was not satisfied with the investigation, he determined that he would not be conducting his own investigation, because a further investigation was not needed to address the concerns that arose from the allegations. The Commissioner made a number of recommendations pursuant to section 121(1) of the PSOA, all of which were accepted. This disclosure identified concerns about the disposal of government assets.

Allegation of contravention of the conflict of interest rules (Referral)

It was alleged that a public servant contravened the conflict of interest rules set out in O. Reg. 381/07 under the PSOA by giving preferential treatment to former colleagues and associates in the course of multiple hiring processes. It was also alleged that the public servant engaged in gross mismanagement by inappropriately reporting information. The Commissioner referred the matter for investigation to the appropriate Ethics Executive. The investigation found the allegations of inappropriate reporting were unsubstantiated, but that there was a perception of preferential treatment during the hiring processes. The Commissioner was satisfied with the investigation, and made additional recommendations for conflict of interest training for public servants involved in hiring of staff. This disclosure highlighted the risk of the appearance of preferential treatment being given when former colleagues and associates are hired, and the importance of addressing this risk.

Allegation of contravention of the conflict of interest rules (Referral)

It was alleged that a public servant contravened the conflict of interest rules set out in O. Reg. 381/07 under the PSOA in the course of making procurement decisions. It was further alleged that public servants engaged in gross mismanagement by failing to take action when they became aware of a breach of the conflict of interest rules. The Commissioner referred the matter for investigation to the appropriate Ethics Executive. The investigation found that the breach of the conflict of interest rules was substantiated in part, that the allegation of gross mismanagement against one public servant was substantiated, and that the allegation of gross mismanagement against a second public servant was not substantiated because the conduct of the public servant did not amount to a wrongdoing as defined by the PSOA. The ministry took immediate steps to address the issues that were identified during the investigation and formulated a strategy for managing procurement-related risks in the long term. The Commissioner was satisfied with the investigation report prepared by the ministry and the remedial actions. This disclosure highlighted the risk of preferential treatment, or the appearance thereof, being given in the course of procurement decisions and the importance of having safeguards in place to guard against these risks.

There is a risk of the appearance of preferential treatment when former colleagues or associates are hired

Providing Transparency About Who Is Talking to Whom in Government, and About What

Lobbyists Registration

Mandate

Under the *Lobbyists Registration Act, 1998* the Integrity Commissioner is appointed Lobbyists Registrar. The Commissioner, as Registrar, is responsible for:

- administering and maintaining an online public record of paid lobbyists;
- issuing non-binding Interpretation Bulletins and advisory opinions; and
- investigating incidents of non-compliance under the Act.

In Ontario lobbying occurs when an individual or group of individuals is paid to communicate with public office holders in an attempt to influence certain government activities.

A lobbyist can be someone who is paid to lobby on behalf of a client (consultant lobbyist) or a paid employee or paid director who spends at least 50 hours in a calendar year lobbying on behalf of a for-profit entity (in-house lobbyist for persons and partnerships) or a not-for-profit entity (in-house lobbyist organization). The searchable lobbyist registry database provides each lobbyist's name, company, client or employer, the lobbying activity, as well as information on the lobbying targets, including ministers' offices, ministries, the MPPs identified by riding, and provincial agencies.

Overview

This was an important year for the Lobbyists Registration mandate as the Office updated the registry in accordance with amendments to the *Lobbyists Registration Act, 1998*. The amendments came into force on July 1, 2016, and greatly enhanced the Commissioner's responsibilities, providing him with investigation and enforcement powers.

The Office was focused on assisting lobbyists to comply with the Act

Since changes to the Act were proclaimed, the number of active lobbyists increased to 2,343 at March 31, 2017, up from 1,764, an increase of approximately 33 per cent.

The number of active registrations increased to 1,854 at March 31, 2017, up from 1,816 a year earlier.

This year the Office was focused on assisting lobbyists to comply with the Act and a comprehensive communications plan was developed to explain the amendments.

Leading up to the July 1 proclamation, social media updates and email reminders were sent to lobbyists to inform them of the changes to the legislation and the registration system. The communications effort also included the creation of new website resources, including:

- a revised Guide to the Lobbyists Registration Act;
- compliance and registration checklists to provide guidance to all three types of lobbyists about complying with the requirements of the Act;

- video tutorials to assist lobbyists in navigating the registration process; and
- information to address specific areas of concern, such as completing the Lobbying Activity section of the registration.

The Office updated the registration system to reflect the changes to the Act and reviewed and streamlined procedures. For example, the certification process for new lobbyists eliminated the requirement to submit a user agreement in paper form and provided digital certification instead. The Office also created a welcome email for all new lobbyists providing them with a clear one-stop resource covering all helpful tools and resources on the website.

Compliance reviews have intensified. When a registration is submitted, a careful preliminary review is conducted by Inquiries Officers who check for completeness and/or insufficient information and flag issues of potential non-compliance for review by the Commissioner.

In most cases, once a preliminary review of the registration is complete, additional information is required of the lobbyist. An email is sent to the consultant lobbyist or senior officer outlining the registration's deficiencies. This is a time-consuming process; however, a thorough assessment is necessary to ensure that the information published on the website is accurate and provides transparency for the public. Approximately half of the registrations submitted were found to be incomplete or requiring additional information or clarification.

Half of the registrations submitted were incomplete or required additional information

The majority of the registrations either (1) did not have responses to the new questions on the registration forms, or (2) had insufficient information about the lobbying goals and intended outcomes of the lobbying activities.

Interpretation Bulletins and Advisory Opinions

The Commissioner revised seven of the existing Interpretation Bulletins and repealed one as a result of the amendments to the Act.

The amendments also resulted in an influx of requests for Advisory Opinions, as the Commissioner can provide non-binding information and guidance on how a section of the Act may apply to a lobbyist. The issues raised by lobbyists are increasingly complex and nuanced, and the responses take a considerable amount of time to prepare. The Advisory Opinions themselves are not made public as they are specific to a lobbyist's particular circumstance. Some of the issues raised include whether certain entities were required to register under the Act; if certain activities constituted lobbying under the Act; the appropriateness of proactively registering volunteer or pro bono activities; the application of prohibited lobbying activities to consultant lobbyists; calculating the 50-hour threshold when there are different interests being represented at different levels of a corporation; and clarification of the conflict of interest provisions in the Act.

Lobbyist Registrars and Commissioners Network Conference

In September 2016, the Office was host to the 10th Annual Lobbyist Registrars and Commissioners Network meeting in Toronto. The Commissioner's lobbyists registry counterparts at the federal, provincial and municipal levels met to share information and discuss current trends in lobbyist registry operations and compliance.

Investigations

The Commissioner may conduct an investigation to determine if any person or persons have not complied with any provision of the Act or its regulation. These powers came into force on July 1, 2016. Following an investigation, the Commissioner may make a finding that a person has not complied with the Act, after giving that person an opportunity to be heard. After making a finding of non-compliance, the Commissioner may impose one or both of the following penalties: (1) prohibit the person against whom the finding was made from lobbying for up to two years, and (2) make certain information about the non-compliance public, including the person's name. The Commissioner is required to give reasons to the person for the finding and for the imposition of any penalty.

The Act requires the Office to keep confidential all information about an investigation, allowing the Commissioner to provide only a statistical summary of investigative activity for the year, as well as anonymized case summaries of any investigations that have been concluded.

The Commissioner, as Registrar, concluded one investigation, and commenced three. The Commissioner also refused to investigate 13 issues of alleged non-compliance. In all instances, the Commissioner determined that the nature of the non-compliance was sufficiently minor that it was not optimal to use resources to conduct an investigation. The Commissioner addressed these matters by sending letters reminding the lobbyists of their obligations under the Act. It is important to note that the majority of these matters were identified in the course of staff compliance reviews, and each case requires a careful assessment of the facts to determine if it should proceed to investigation.

Activity

	March 31, 2017
Investigations Commenced	3
Investigations Concluded	1
Investigations Resumed	0
Matters Refused for Investigation	13
Matters Referred to Another Person or Body	0

Case Summary

Late filing of a return (Consultant Lobbyist)

The Registrar conducted an investigation to determine whether a consultant lobbyist had failed to file a return not later than 10 days after commencing performance of an undertaking for a client, as is required by subsection 4(1) of the Act.

Following the investigation, the Registrar found that the lobbyist had previously been registered to lobby for the client but that through inadvertence they had failed to renew the registration despite being advised in writing of their obligation to do so on three separate occasions. As a result, the registration was cancelled by the Registrar. The Registrar found that the lobbyist had failed to comply with subsection 4(1) of the Act because they continued to lobby for the client for a number of months despite no longer being registered. However, the Registrar decided not to impose a penalty against the lobbyist because:

1. the non-compliance was not intentional and the lobbyist came forward to correct it;
2. the lobbyist had no prior incidents of non-compliance or convictions; and
3. the Registrar was not of the opinion that it was in the public interest to impose a penalty given that the lobbyist cooperated fully with the investigation, expressed remorse, and took steps to ensure compliance in the future.

The Registrar found that the lobbyist failed to renew the registration but continued to lobby

Registration Activity

As of March 31, 2017, there were 1,854 active registrations on the registry and 2,343 active lobbyists.

	March 31, 2016	March 31, 2017
Total Registrations	**1,816**	**1,854**
Registrations by Type		
Consultant	1,372	1,453
In-House Organizations	241	279
In-House Persons and/or Partnerships	203	122

It is important to note that due to amendments to the Act, the calculation of statistics for in-house lobbyists for persons and/or partnerships has changed.

Prior to July 1, 2016, each individual in-house lobbyist for a person and/or partnership was required to submit a separate registration. There are now single registrations for each for-profit entity (person and/or partnership), which list the names of all in-house lobbyist(s) within the one registration. While the number of registrations for each for-profit entity is 122, the number of lobbyists listed within each registration has more than doubled compared to last year when each individual in-house lobbyist was registered.

Lobbying in Ontario

New rules in force from July 1, 2016

Significant changes have been made to Ontario's lobbyist registration system as a result of amendments to the *Lobbyists Registration Act, 1998*. Among the highlights:

The Integrity Commissioner, as Lobbyists Registrar, now has investigation and enforcement powers

Simplified processes make it easier to manage a registration

- User agreements can be certified electronically.
- Registrations can be renewed 30 days before or after the registration anniversary date.

New questions on the registration forms provide greater transparency

- Has the lobbyist held certain positions with the Ontario government? Were they a former minister, deputy minister, associate/assistant deputy minister or member of a minister's staff? Have they held certain senior positions in agencies, boards or commissions of the Crown?
- What are the goals and the intended outcome of the lobbying activity?
- Who are the lobbying targets? In addition to listing the ministries and/or agencies, lobbyists must also specify each minister's office and Members of Provincial Parliament by riding.

Changes for consultant lobbyists

- Contingency fees are prohibited.
- Lobbyists are prohibited from providing paid advice to a public office holder while being paid to lobby on the same subject matter.

Changes for in-house lobbyists for persons and/or partnerships (for-profit entities)

- Registration is required once the time spent lobbying hits 50 hours in a calendar year. This is a cumulative total for all in-house lobbyists at the entity.
- The entity is required to submit one registration under the name of the senior officer.
- Registrations must be renewed every six months.

Changes for in-house lobbyists for organizations (not-for-profit entities)

- Registration is required once the time spent lobbying hits 50 hours in a calendar year. This is a cumulative total for all in-house lobbyists at the entity.
- Any changes to information on the registration must be reported within 30 days.
- Registrations cover lobbying activities reported only for the current six-month period. (Registrations are no longer required to include lobbying activities for the upcoming six-month period.)

Top 10 Lists of Lobbyist Targets and Subjects

Ministries

		2015–16	2016–17
1.	Ministry of Finance	971	906
2.	Ministry of Environment and Climate Change	595	609
3.	Ministry of Health and Long-Term Care	518	502
4.	Treasury Board Secretariat	405	460
5.	Ministry of Economic Development and Growth*	803	438
6.	Ministry of Energy	440	408
7.	Ministry of Transportation	350	349
8.	Ministry of Government and Consumer Services	286	307
9.	Ministry of Natural Resources and Forestry	280	275
10.	Ministry of Agriculture, Food and Rural Affairs	303	249

*The Ministry of Economic Development, Employment and Infrastructure was split into two separate ministries in June, 2016: the Ministry of Economic Development and Growth and the Ministry of Infrastructure.

Subject Matter

		2015–16	2016–17
1.	Economic Development and Trade	736	708
2.	Environment	629	614
3.	Health	497	534
4.	Taxation and Finance	478	478
5.	Energy	478	445
6.	Infrastructure	374	441

7.	Industry	486	439
8.	Research and Innovation	351	411
9.	Municipal Affairs	342	389
10.	Transportation	348	360

Ministers' Offices

		2016–17
1.	Office of the Premier and Cabinet Office	828
2.	Office of the Minister of Finance	633
3.	Office of the Minister of Economic Development and Growth	478
4.	Office of the Minister of Environment and Climate Change	476
5.	Office of the President of the Treasury Board	418
6.	Office of the Minister of Health and Long-Term Care	351
7.	Office of the Minister of Energy	299
8.	Office of the Minister of Transportation	267
9.	Office of the Minister of Research, Innovation and Science	250
10.	Office of the Minister of Infrastructure	247

MPPs by Riding

		2016–17
1.	Office of the Member for Simcoe North	301
2.	Office of the Member for Elgin–Middlesex–London	300
3.	Office of the Member for Etobicoke Centre	299
4.	Office of the Member for Ottawa South	298
5.	Office of the Member for Nickel Belt	294

6.	Office of the Member for Whitby–Oshawa	294
7.	Office of the Member for Toronto Centre	293
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9.	Office of the Member for Beaches–East York	290
10.	Office of the Member for Don Valley West	290

Agencies

		2016–17
1.	Independent Electricity System Operator	159
2.	Ontario Energy Board	123
3.	Financial Services Commission of Ontario	77
4.	Metrolinx	77
5.	Workplace Safety and Insurance Board	73
6.	Ontario Infrastructure and Lands Corporation (Infrastructure Ontario)	68
7.	Alcohol and Gaming Commission of Ontario	56
8.	Ontario Health Quality Council	44
9.	Local Health Integration Network – Toronto Central	40
10.	Ontario Lottery and Gaming Corporation	39

Financial Statement

Financial Statement

	2016-2017
Salaries and Benefits	$ 1,770,969.26
Transportation and Communication	53,628.03
Services	503,820.41
Supplies and Equipment	36,215.81
Total	**$ 2,364,633.51**

The Office of the Integrity Commissioner's fiscal year runs from April 1 to March 31.

Financial transactions are subject to audit by the Office of the Auditor General through the accounts of the Legislative Assembly.

Information about the *Public Sector Salary Disclosure Act, 1996,* can be found at www.fin.gov.on.ca

Proactive Disclosure

Expense claims for travel, meals and hospitality for the Office's senior management, and employees with claims exceeding $5,000, can be found at www.oico.on.ca.

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